

4. Report Applications

There are a variety of different uses for MTCS reports. This section highlights some of the important data fields in the report and describes the ways MTCS users can use the data contained in this report

HUD intends users to challenge information contained in MTCS reports because often, upon further investigation, the problems or issues may be different than they appear in MTCS. Use MTCS data and reports as a starting point for discussion, investigation, research, and analysis.

4.1. Key Data Fields

- **Gross Rent as Percent of FMR** field provides MTCS users with information on the how many, in percentage terms, Section 8 units' gross rent is within each fair market rent category. Data from this field can help MTCS users analyze the housing market in a particular area and determine the adequacy of the fair market rents.
- **Average Gross Rent to FMR Ratio** is an indicator of how adequate the fair market rent is for a given location.

4.2. PHA Uses for the Report

- Solve problems and analyze issues**

Some PHAs assert that FMRs are so low that Section 8 recipients cannot find appropriate housing that meets Housing Quality Standards. In other areas, critics claim that Section 8 subsidy often inflates rents in the housing market. The rent detail provided on this report can help PHAs determine the adequacy of the FMRs and assess rent reasonableness.

Some FMR areas are large and therefore the FMR may be too high or too low for specific PHAs within an FMR area. Data from the Rent and Rent Burden Report can help PHAs to support requests for exception rents. PHAs must also conduct rent reasonableness determinations. Data from this report can also support PHA efforts to analyze the issue of comparable rents within a particular location.

PHAs can also use the data on rent burdens to support determinations on local housing needs for the PHA Plan or to analyze the impact of minimum rents on Section 8 participants. In one PHA's Rent and Rent Burden Report, they discovered only 29 percent of their Section 8 program participants pay under 30 percent of adjusted income for rent:

MTCS - Rent and Rent Burden Report			
Program: Section 8 Vouchers			
Rent as a Percent of Adjusted Income		State	PHA
Rent as a Percent of Adjusted Income (% of Units)	Under 21% of Adjusted Income	28	14
	21 - 25	13	3
	26 - 30	17	12
	31 - 35	11	19
	36 - 40	8	11
	41 - 45	5	9
	46 - 50	4	7
	Over 50	13	26
Average Rent Burden		36	55

The average rent burden for this PHA is quite different from the statewide average. Section 8 Voucher holders in this PHA elect to pay, on average, 55 percent of their income in rent compared the state average of 36 percent.

The average rent burden varies by program but the Section 8 Voucher program can be significantly higher since the formula does not limit household payments. The new limit in the Public Housing Reform Law allows for a 40 percent initial rent burden.

If a PHA determines that a significant number of households have a rent burden that is less than 30 percent of adjusted income, the PHA payment standard may be too high. As a PHA submits its PHA Plan, it can consider a lower payment standard that might enable it to serve more households with the same funds. Alternatively, if a PHA finds a significant number of households with a rent burden that is higher than 40 percent of adjusted income, the PHA may want to consider if the payment standard is appropriate.

4.3. HUD Uses for the Report

- **Assess PHA performance and monitor quality**

HUD staff can use the Rent and Rent Burden Report to monitor the impact of Section 8 program decisions on tenant rents. Data from this report can also help HUD staff evaluate PHA requests for area-wide exception rents.

HUD staff can also use this report to monitor the impacts of the Section 8 Certificate and Voucher merger on tenant rents. Data on this report support analysis of Section 8 minimum rents and the adequacy of local FMRs.